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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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| | SECRET, | | | | | |
| COUNTRY | East Germany | REPORT NO. | 25X1 | | | |
| SUBJECT | Production at Magdeburg and Zeitz Plants | DATE DISTR. | 1 September 1953 | | | |
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| PLACE ACQUIRED | | REFERENCES | | | | |
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- 1. Production at Schaeffer & Budenberg of Magdeburg has been completely altered. Currently, meters for high pressure machines are under production, as well as valves of all kinds. These go mostly to Poland, and are for gas and steam machinery and ships. Eight compressors are under production for Russia. An order has been received for the construction of air heaters for high temperature furnaces.
- 2. Orange and parts for cranes are being built for Russia by ZEMAG of Zeitz. The metal shop is now busy with the repair of railroad cars, turning out about eight a month. Construction is proceeding on two heavy-duty cars equipped with heavy cranes. In the foundry, large parts for electric motors and their housings are being produced, as well as parts for briquette presses. Shafts of alleises go to the SAG Bleichert in Leipzig. On 28 June 1953, 45 tons of shafting were shipped to Bleichert. ZEMAG has received a large number of screws and bolts from Russia, but they could not be used because the screws had heads of the wrong size. The plate shop is working on a boiler for the Zeitz Hydraulic Flant, but it will not be set up until it is in place. There is a current shortage of boiler tubes. The repair job for the Zeitz Sugar Factory could not be finished because of this shortage.
- 3. The strike caused a sharp drop in production at Krupp-Gruson of Magdeburg. At the same time, many workers, both in the shop and office, were arrested by the SSD. The government has withdrawn orders on which work has not yet begun. Work on mathines for the other Satellites has been temporarily dropped. Many workers are working compulsory overtime. There are orders from Poland for machines for the iron industry in Upper Silesia. There is no alteration in orders for Russia.
- 4. At the Scholl Leather Factory in Zeitz, work continues on slings, cartridge cases, etc., for the Volkspolizei. It is expected that the order will be canceled shortly.

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